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David H. Chervitz
458 Whitestone Farm Drive
Chesterfield, MO 63017

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SEE, CAROL A

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte BEN APRIL and JAMES BLATT

Appeal 2015-007021
Application 11/438,572
Technology Center 3600

Before HUBERT C. LORIN, BIBHU R. MOHANTY, and
BRADLEY B. BAYAT, *Administrative Patent Judges*.

BAYAT, *Administrative Patent Judge*.

DECISION ON APPEAL¹

STATEMENT OF THE CASE

Appellants² appeal under 35 U.S.C. § 134(a) from the Examiner's rejection of claims 7–20. We have jurisdiction under 35 U.S.C. § 6(b).

SUMMARY OF DECISION

We AFFIRM.

¹ Our decision references Appellants' Appeal Brief ("Appeal Br.," filed Dec. 19, 2014), Reply Brief ("Reply Br.," filed July 20, 2015), the Examiner's Answer ("Ans.," mailed May 21, 2015) and the Non-final Office Action ("Non-final Act.," mailed Oct. 1, 2014).

² Appellants identify "Mortgage Returns, Inc." as the real party in interest (Appeal Br. 3).

THE INVENTION

Appellants' claimed invention relates to tracking mortgage information (Spec. 1, l. 3). Claim 7, reproduced below, is illustrative of the subject matter on appeal.

7. A system for tracking information related to a mortgage comprising:

a subscriber system having a device for entering information related to a customer's mortgage and information relating to a customer, a list of company-wide default triggers and a list of custom triggers with each trigger being representative of a feature of the customer's mortgage or information relating to the customer, a selection indicator associated with each of the triggers for selecting or deselecting each trigger, and a custom trigger indicator for indicating that the trigger is a custom trigger; and

a server system for accessing the subscriber system over a connection and for receiving the entered information related to the customer's mortgage, information relating to the customer, and the selected triggers from the subscriber system, the server system for generating a report based upon the selected triggers with the report being transmitted to the subscriber system over a connection.

THE REJECTIONS

The Examiner relies on the following as evidence of unpatentability:

Kelly et al. ("Kelly")	US 2001/0056397 A1	Dec. 27, 2001
Kuttan et al. ("Kuttan")	US 2003/0212628 A1	Nov. 13, 2003
Masella et al. ("Masella")	US 2005/0125334 A1	June 9, 2005
Kennedy et al. ("Kennedy")	US 2006/0155640 A1	July 13, 2006

1. Claims 7–20 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Appellants regard as the invention.
2. Claims 7–20 are rejected under 35 U.S.C. § 101 as being directed to judicially-excepted subject matter.
3. Claims 7, 12, 14, 16, and 19 are rejected under 35 U.S.C. § 103 as being unpatentable over Kennedy and Masella.
4. Claims 8 and 15 are rejected under 35 U.S.C. § 103 as being unpatentable over Kennedy, Masella, and Kelly.
5. Claims 9–11, 13, 17, 18, and 20 are rejected under 35 U.S.C. § 103 as being unpatentable over Kennedy, Masella, and Kuttan.

ANALYSIS

Indefiniteness

Claims 7–14 and 17–20

The Examiner found that claims 7, 13, 14, and 20 are indefinite because they do “not clearly indicate that a structural connection exists to the subscriber system that allows the two systems to function as a whole.” Ans. 12–13; *see also* Non-Final Act. 4 (“incomplete for omitting essential structural cooperative relationships of elements, such omission amounting to a gap between the necessary structural connections. See MPEP § 2172.01.”).

Although the Examiner is correct that the claims recite “a connection” as a functional limitation, and that the claims do not positively recite a connection between the subscriber and server system as a structural element of the claimed system, Appellants assert that “[t]he specification identifies

various forms for ‘a connection’ such as a telephone line, cable, ISDN lines, fiber optic lines, wireless connections, microwave, radio, satellites, and other connection means.” Appeal Br. 8 (citing Spec. 6:3–14). Thus, Appellants argue that the claims are definite because those skilled in the art would understand what is claimed when the claim is read in light of the Specification. *Id.* at 9.

A claim which omits matter disclosed to be essential to the invention as described in the specification or in other statements of record may be subject to rejection under 35 U.S.C. 112(b) or pre-AIA 35 U.S.C. 112, paragraph 2. *See In re Mayhew*, 527 F.2d 1229 (CCPA 1976); *In re Venezia*, 530 F.2d 956 (CCPA 1976); *In re Collier*, 397 F.2d 1003 (CCPA 1968). But the Examiner does not point to any disclosure in the Specification or statements of record by Appellants that identify a form of connection means as being essential to the invention. We are persuaded that those skilled in the art would understand what is claimed given the ordinary meaning of the claim language when read in light of the Specification. *See Orthokinetics, Inc. v. Safety Travel Chairs, Inc.*, 806 F.2d 1565, 1576 (Fed. Cir. 1986) (The test for definiteness under 35 U.S.C. § 112, second paragraph, is “whether those skilled in the art would understand what is claimed when the claim is read in light of the specification.”). In other words, any of the various connection means disclosed in the Specification *supra* may serve as a structural connection between the claimed systems. Thus, the absence of a connection means in the claims is merely an issue of

breadth and not indefiniteness. *See In re Gardner*, 427 F.2d 786 (CCPA 1970).

We also note that the Examiner's discussion of the claim 7 term "company wide default triggers" and the claim 14 term "loan officer custom default trigger" in the Office Action does not appear to be offered as a basis for the indefiniteness rejection, but rather as an explanation of the Examiner's position. *See* Ans. 13–15. Accordingly, we do not sustain the rejection of claims 7–14 and 17–20 as indefinite.

Claims 15 and 16

The Examiner found insufficient antecedent basis for "the loan officer custom triggers", and, thus, rejected claims 15 and 16 as being indefinite. Non-Final Act. 5. According to the Examiner, "deletion of the word 'default' broadens possible interpretations, which raises an issue of clarity." Ans. 15.

Appellants argue that "the element 'the loan officer custom triggers' is the same as or shorthand for 'loan officer custom default triggers' that appears in Claim 14." Reply Br. 5.

We agree with the Examiner. It is unclear whether "the list of loan officer custom triggers" in claims 15 and 16 refers to the "list of loan officer custom default triggers" in claim 14 or introduces a different list. Because the claim language is susceptible to at least two reasonable interpretations, the *Miyazaki* standard for evaluating indefiniteness is justified, at least in part because applicants have the opportunity and the obligation to define the invention precisely during prosecution before the US Patent & Trademark

Office. *See Ex parte Miyazaki*, 89 USPQ2d 1207, 1215 (BPAI 2008) (precedential). Accordingly, the rejection of claims 15 and 16 is sustained.

Non-statutory Subject Matter

The Supreme Court has set forth “a framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2355 (2014) (citing *Mayo Mayo Collaborative Servs. v. Prometheus Labs, Inc.*, 132 S. Ct. 1289, 1296–97 (2012)). According to the Supreme Court’s framework, it must first be determined whether the claims at issue are directed to one of those concepts (i.e., laws of nature, natural phenomena, and abstract ideas). *Id.* If so, a second determination must be made to consider the elements of each claim both individually and “as an ordered combination” to determine whether the additional elements “transform the nature of the claim” into a patent-eligible application. *Id.* (quoting *Mayo*, 132 S. Ct. at 1297).

To that end, with regard to the first part of the *Alice* inquiry, the Examiner found that the claims are directed to “the abstract idea of a method of organizing human activities or fundamental economic practice - managing relationship with customers and the process engaged in by selecting parameters associated with a mortgage for reporting purposes.” Non-Final Act. 5. With regard to the second part of the *Alice* inquiry, the Examiner found that the claimed subscriber system and server system amount to “generic computer components” that “perform well-known and conventional activities of having data input, and then to process that data using data already present in the system, allow a user to select data and to generate a

report based on the selected data.” Ans. 17; *see also* Non-Final Act. 5. In particular, the Examiner found that the claimed “triggers are merely information presented to a user where this information can be selected or deselected by a user.” *Id.* The Examiner also found that “the claims do not amount to an improvement to the functioning of a computer system itself” because the claimed “systems merely indicate a computer receives data, processes that data using data already present in the system, allows a user to select data and to generate a report based on the selected data.” *Id.* at 18. The Examiner has applied this analysis to all the claims in the rejection.

Appellants contend that the rejection is improper because “the claims do not pre-empt the field of tracking mortgage information.” Reply. Br. 7. However, while pre-emption “might tend to impede innovation more than it would tend to promote it, ‘thereby thwarting the primary object of the patent laws’” (*Alice*, 134 S. Ct. at 2354 (citing *Mayo*, 132 S. Ct. at 1293)), “the absence of complete preemption does not demonstrate patent eligibility” (*Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015)); *see also* *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1362–63 (Fed. Cir. 2015), cert. denied, *OIP Techs., Inc.*, 136 S. Ct. 701, 193 (2015) (“[T]hat the claims do not preempt all price optimization or may be limited to price optimization in the e-commerce setting do not make them any less abstract.”). Moreover, because we find the claimed subject matter covers patent-ineligible subject matter, the pre-emption concern is necessarily addressed. “Where a patent’s claims are deemed only to disclose patent ineligible subject matter under the *Mayo* framework, . . . preemption

concerns are fully addressed and made moot.” *Ariosa Diagnostics*, 788 F.3d at 1379.

We find the Examiner properly and reasonably found that claims 7 and 14 are directed to the abstract idea of managing relationships with customers, a method of organizing human activities, and a fundamental economic activity. The Examiner’s analysis is consistent with the description in the Specification of the problem solved by the invention. *See, e.g.*, Spec. 1, ll. 16–18 (“the loan officer would be forced to review each individual record and then compare the record against the updated information to determine if the customer or client should be contacted.”). Appellants characterize the abstract idea involved as “mortgage tracking” (Appeal Br. 12–13) or “tracking mortgage information” (Reply Br. 7), but that is simply a different level of abstraction than the Examiner’s articulation of it. *Cf. Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1240–41 (Fed. Cir. 2016) (“An abstract idea can generally be described at different levels of abstraction.”)

Appellants also contend that “the Examiner has provided no evidentiary support” “and thus has failed to establish a prima facie case that the claims are for an abstract idea.” Reply Br. 5. Appellants note that in *Alice*, the Supreme Court cited several references to show that the concept of intermediated settlement was a fundamental economic practice and a building block of the modern economy. Appellants rely on *PNC Bank v. Secure Access, LLC*, Case No. CBM2014-00100 (PTAB Sept. 9, 2014) to make the point that the Examiner did not do what was required to be done.

Id. at 6. Appellants also argue that “[t]he Examiner has not even considered the particular and specific constructions delineated in the claims.” *Id.*

Appellants’ arguments do not apprise us of error in the rejection. As noted above, the Examiner clearly identified the abstract idea to which the claims as a whole are directed. The Examiner analyzed the specific claim limitations and found the claims to be directed to an abstract idea without “significantly more.” *See* Ans. 17–18. This is sufficient to identify the judicially excluded category under *Alice*. There is no requirement to produce evidence in making a rejection under 35 U.S.C. § 101. *See, e.g.*, “July 2015 Update: Subject Matter Eligibility” to the “2014 Interim Guidance on Subject Matter Eligibility (2014 IEG) published on Dec. 16, 2014 (79 Fed. Reg. 74618)”:

The courts consider the determination of whether a claim is eligible (which involves identifying whether an exception such as an abstract idea is being claimed) to be a *question of law*. Accordingly, courts do not rely on evidence that a claimed concept is a judicial exception, and in most cases resolve the ultimate legal conclusion on eligibility without making any factual findings.

Id. at 6, para. 3 (emphasis added) (footnote omitted). Evidence may be helpful in certain situations where, for instance, facts are in dispute. But it is not always necessary. It is not necessary in this case. We note that Appellants have put forward no rebuttal evidence showing claim 7 is *not* directed to an abstract idea. Regarding Appellants’ reliance on *PNC Bank*, we note that what a different panel did in a different situation under a different set of facts has little bearing on how this case should be disposed of. In this case, the Specification supports the view that the computer and network implementation is purely conventional. *See, e.g.*, Spec. 5, l. 15–6, l.

6 (“communications network such as the Internet 14 . . . the computer 12 may be a personal computer”); Spec. 6, ll. 9–10 (“subscriber system 18 may be able to communicate with the server system 12 through the Internet connection 14”). Indeed, nearly every computer will be capable of communicating with other computers via the Internet. *Cf. Alice*, 134 S. Ct. at 2360 (“Nearly every computer will include a ‘communications controller’ and ‘data storage unit’ capable of performing the basic calculation, storage, and transmission functions required by the method claims.”)

Appellants argue that the claim 7 limitation of “a custom trigger indicator for indicating that the trigger is a custom trigger” “amounts to something more than an instruction to apply the abstract idea of mortgage tracking using some unspecified, generic computer” because it “provides a visual indication to a loan officer that a particular hotlist trigger has been customized by the loan officer.” Appeal Br. 12. According to Appellants, the claimed indicator conveys information so that “the loan officer will know that a generated hotlist for the loan officer will be customized for the loan officer over and above a typical hotlist generated based only on company-wide default triggers.” *Id.* Appellants point to Figure 9 of Appellants’ Specification as showing “a custom trigger indicator that is displayed as (My Default) which is below the checked box under the heading ENABLED.” *Id.* at 12–13.

Displaying a visual indicator in a user interface to convey information to the user is not sufficient to transform the nature of the claim under the second step of *Alice*. See, e.g., *Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1370 (Fed. Cir. 2015) (finding that the recited

“interactive interface” was not a “specific application of the abstract idea that provides an inventive concept”); *Affinity Labs of Tex., LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1262 (Fed. Cir. 2016) (characterizing a “graphical user interface” as a “generic feature” of the invention).

Thus, “the claims at issue amount to ‘nothing significantly more’ than an instruction to apply the abstract idea . . . using some unspecified, generic computer.” *Alice*, 134 S. Ct. at 2360 (quoting *Mayo*, 132 S. Ct. at 1298). “[T]he mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention. Stating an abstract idea ‘while adding the words ‘apply it’ is not enough for patent eligibility.” *Id.* at 2358 (quoting *Mayo*, 132 S. Ct. at 1294).

Accordingly, Appellants’ arguments do not apprise us of error in the rejection under 35 U.S.C. § 101.

Obviousness

Appellants argue that the portions of Masella cited by the Examiner do not disclose the claim 7 limitation of “a custom trigger indicator for indicating that the trigger is a custom trigger.” Appeal Br. 14; *see also* Reply Br. 8. Although the term “custom trigger indicator” does not appear in Appellants’ Specification, Appellants contend that “a review of Fig. 9 of the application clearly demonstrates what a custom trigger indicator is.” *Id.* at 15. Referencing Figure 9 of the disclosure, Appellants assert that “attention is directed to the custom trigger indicator (My Default) which is below the checked box under the heading ENABLED” and that “[t]his label is the indicator that the trigger is ‘a custom trigger indicator for indicating that the trigger is a custom trigger’ as is claimed in claim 7.” *Id.* Appellants

further assert that “[t]he ‘custom trigger indicator’ provides a visual indication to a loan officer that a particular hotlist trigger has been customized by the loan officer.” *Id.* at 12. According to Appellants, the claimed indicator conveys information so that “the loan officer will know that a generated hotlist for the loan officer will be customized for the loan officer over and above a typical hotlist generated based only on company-wide default triggers.” *Id.*

To that end, the claimed “custom trigger indicator,” as defined by Appellants is merely a “label” or a “visual indication” that conveys informational content to a user (i.e., loan officer), such as display of the text “My Default.” As such, the “custom trigger indicator” constitutes non-functional descriptive material that may not be relied on for patentability. *See Ex parte Curry*, 84 USPQ2d 1272, 1275 (BPAI 2005) (informative). “Non-functional descriptive material cannot render nonobvious an invention that would have otherwise been obvious.” *Id.* at 1274 (citing *In re Ngai*, 367 F.3d 1336, 1339 (Fed. Cir. 2004)). *Cf. In re Gulack*, 703 F.2d 1381, 1385 (Fed. Cir. 1983) (when descriptive material is not functionally related to the substrate, the descriptive material will not distinguish the invention from the prior art in terms of patentability). *See also, Ex parte Mathias*, 84 USPQ2d 1276, 1279 (BPAI 2005) (informative). “Thus non-functional descriptive material, being useful and intelligible only to the human mind, is given no patentable weight.” *Ex parte Graf*, Appeal 2012-003941, slip op. at 7 (PTAB July 23, 2013) (non-precedential), *aff’d*, *In re Graf*, 585 Fed. Appx. 1012 (Fed. Cir. 2014) (non-precedential). “The rationale behind this line of cases is preventing the indefinite patenting of known products by the simple

inclusion of novel, yet functionally unrelated limitations.” *King Pharms., Inc. v. Eon Labs, Inc.*, 616 F.3d 1267, 1279 (Fed. Cir. 2010). Accordingly, we sustain the rejection of independent claim 7.

Regarding independent claim 14, Appellants argue that Masella does not disclose the limitation “a default trigger indicator for indicating that the trigger is a loan officer custom default trigger” for the same reasons discussed above with regard to claim 7. Appeal Br. 16–17. Accordingly, we sustain the rejection of independent claim 14 for the same reasons.

Appellants do not present any separate substantive patentability arguments regarding dependent claims 8–13 and 15–20. Instead, Appellants point out that these claims are allowable based on their dependency from the independent claims. Appeal Br. 17–18. Accordingly, we sustain the rejection of dependent claims 8–13 and 15–20 for the same reasons.

DECISION

The rejection of claims 7–14 and 17–20 under 35 U.S.C. § 112, second paragraph, is reversed.

The rejection of claims 15 and 16 under 35 U.S.C. § 112, second paragraph, is affirmed.

The rejection of claims 7–20 under 35 U.S.C. § 101 is affirmed.

The rejection of claims 7–20 under 35 U.S.C. § 103 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a).

AFFIRMED